

FISCAL NOTE

SB 1465 - HB 1538

March 14, 2001

SUMMARY OF BILL: Provides that:

1. the board of education for each school district shall establish an extended year reading intervention program, equivalent to 40 hours of instruction, for students identified as below grade level on reading assessments in grades K-3.
2. all costs of such program would be reimbursed by the state, except for transportation which would be reimbursed at not more than \$30 per student per session.
3. districts would apply for reimbursement based on the average daily membership reporting procedure developed and administered by the Department of Education.
4. program participation and effectiveness by school and district would be presented annually to the State Board of Education, the General Assembly, and the Governor.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures- Exceeds \$10,000,000

Increase Local Govt. Expenditures* - Less than \$100,000

Estimate assumes:

- The reading program would be in addition to the regular school year.
- Students identified as below grade level on reading assessments in K-3 would mean those students scoring below basic on the NAEP reading assessment
- The 1999-00 average daily membership for K-3 is 290,781.
- Approximately 41% of students in Tennessee are scoring below basic on the NAEP reading assessment in 4th grade. Therefore, it is assumed that approximately 120,000 students would be enrolled in the program.
- With a student-teacher ratio of 1:15, the program would need 7,667 teachers.
- The reading program consists of 40 hours of additional instruction. Each teacher would be paid approximately \$920 per 40 hours of instruction. (\$920 x 7,667, the number of teachers needed for the program = \$7,053,640)

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- Transportation costs will not exceed \$30 per student. (\$30 x 120,000, the number of students enrolled in the program, = \$3,600,000)
- The increase in state expenditures for transportation and teacher payments will be \$10,653,640.
- The costs of planning a reading program for each district ranges from \$6,000 for a small district to \$48,000 for a large metropolitan district. The total local cost statewide for planning is estimated to be less than \$100,000.

For information purposes, Metro-Davidson County administers a similar 7-week extended year program for K-3 called the Starfish Project. From 8:30am - 1:30pm, the program focuses on core academics. After 1:30pm the children participate in fun activities. However, the administrators also use this time to reinforce academic subject matter. The program provides a lunch for the children. The children have access to the facility from 7am - 6pm. Teachers administer the program and design the curriculum. The Learning Plus Foundation provides funding for this program. Four hundred students participated in the program during the summer of 1998 at a cost of \$1,000 per student, which covered all costs except transportation. In 1998 students were accepted based on teacher and principal recommendation; however, in 1999 the program gave preference to students who did not advance to the next grade.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director